

Agbiz submits comments on sectoral emission targets

On 26 April 2024, the Department of Forestry, Fisheries and the Environment published a draft report on sectoral emission targets for public comment. The due date for comments was 28 June 2024. Agbiz sent in a written submission on the report.

These proposed sectoral emission targets form an integral part of South Africa's climate change mitigation approach. These targets are intended to ensure that South Africa meets its national determined contribution in respect of emissions. These national determined contributions embody efforts by each country to reduce national emissions and adapt to the impacts of climate change. In terms of the Climate Change Bill, the Minister of Forestry, Fisheries and the Environment is required to allocate sectoral emission targets to ensure the country meets the stated greenhouse gas (GHG) emission target as published in the national determined contribution.

Proposals in report regarding agriculture

The draft report identifies seven sectors which will be subject to sector emission targets. These sectors are agriculture, industry, energy, mining, human settlements, transport, and environment. The aim is to reduce carbon dioxide equivalent emissions by 27 million tonnes by 2030. The proposed sectoral emission allocation for agriculture is 3.4 MtCO2eq. The instruments that the department responsible for agriculture will utilise in achieving these sectoral emission targets include the following:

- Conservation of Agriculture Resources Act
- Climate Smart Strategic Framework
- Conservation Agriculture Strategy
- Climate Change Sector Plan
- Agriculture Sector Implementation Plan

According to the draft report:" In 2022 the Energy sector was the largest contributor to South Africa's gross emissions (excl.LULUCF) in 2022, comprising 78% of total emissions. This was followed by the agriculture sector (11%), Industrial Processes and Product Use (IPPU) sector (6%) and the Waste sector (4%). The agriculture sector accounted for 53,519 Gg CO 2eq emissions, representing 11% of South Africa's total emissions. In 2022, the primary contributor within this sector was the Enteric fermentation category, contributing 36,352 Gg CO 2eq, which constituted 68% of the total agricultural sector emissions, Overall, there has been a decreasing trend in agricultural emissions, with total emissions in 2022 being 9% lower compared to 2000 levels. This reduction can be attributed to a decrease in livestock population numbers."¹

Agbiz comments

In its comments, Agbiz points to the fact that the agricultural value chain is large and diverse. As a result, sufficient time is required for each subsector to present an evidence-based input on their ability to mitigate greenhouse gas emissions and the costs that will be associated with the transition. In this manner, Agbiz will strive to work closely with DALRRD to arrive at targets that are scientifically sound and economically feasible. The sector has a thorough understanding of the need to decarbonise our economy through the just transition. Mitigation measures must, however, be based on the best available information and take various factors into account.

The primary- and secondary agricultural sector have co-ordinated their research and inputs and we support the Agri SA submission and research regarding the SETs. We do believe however that further research is required or at least that existing research needs to be evaluated and consolidated. There is information available within many of the sub-sectors, but this needs to be collated and analysed.

Agbiz states in its comments that the report does not fully recognise the sector's contribution to carbon sequestration as it also sequestrates approximately 30mt annually, thereby offsetting 60% of its emissions through carbon sinks. It is important to recognise the significant potential of agriculture to sequester carbon through regenerative conservation agriculture.

Agbiz argues that there are vast areas of South Africa where extensive livestock grazing is the only viable land use. Only 13% of South Africa's land mass is suitable for crop production and much of this has been lost to sprawling urbanisation and competition with extractive industries. We are also the 30th driest country in the world and in roughly two-thirds of the country (in the great Karoo and Kalahari areas), no other economic activity is viable. It must also be borne in mind that despite changing consumer preferences in some countries, demand for animal products is increasing in the Middle and Far East. The sector's GHG emissions must therefore be balanced with the economic and employment opportunities it creates, as well as the lack of viable alternatives in several areas.

In its submission, Agbiz also points out that when SETS are calculated, the Department should consider the feasible expansion plans and trajectories of different sectors within

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https://static.pmg.org.za/240426Sectoral_Emission_Targets_SETs_Framework.pdf?_gl=1*k4mfwv*_ga*MTA4 NzAyNzExNi4xNjQ5MzM0NTQx* ga_EBG7VD75NV*MTcxOTkwMTkwNy4zNTkuMS4xNzE5OTAxOTI wLjAuMC4w page 13

the economy as well as look into engaging with independent third-party verification organisations to assess and verify the reported emissions data for more accuracy and transparency. As South Africa develops and moves from an emerging market economy towards a developed nation, the economic contribution of different sectors towards our total economy will not remain static. The just transition recognises that certain industries will decline (sunset industries) whilst other industries must grow (sunrise) to absorb the reskilled labour component from sunset industries. Agriculture is regarded as a sunrise industry.

Way forward

Agbiz is working closely with Agri SA, Grain SA, Fertasa and Red Meat Industry Services (RMIS), which are the industries that are likely to be directly affected by the proposed emission targets. Agbiz has submitted its comments to the Department of Forestry, Fisheries and the Environment. Agbiz has also had a number of engagements with the Department of Agriculture, Land Reform and Rural Development on the targets and has requested further meetings to get to a process whereby further research can take place and further consultation with affected sub-industries can happen.